

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA	:	
- v. -	:	PRELIMINARY ORDER OF
	:	FORFEITURE AS TO
	:	<u>SUBSTITUTE ASSETS</u>
JACOB MORITZ,	:	
a/k/a "Arthur Chestnutt,"	:	S2 89 Cr. 742 (LAP)
Defendant.	:	
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WHEREAS, on or about June 12, 2019, JACOB MORITZ, a/k/a "Arthur Chestnutt" (the "Defendant") was charged in a one-count Superseding Information, S2 89 Cr. 742 (LAP) (the "Information"), with narcotics conspiracy, in violation of Title 21, United States Code, Section 846 (1982 ed.) (Count One);

WHEREAS, the Information included a forfeiture allegation seeking forfeiture to the United States, pursuant to Title 21, United States Code, Section 853 of any and all property constituting, or derived from, proceeds obtained, directly or indirectly, as a result of the offense charged in Count One of the Information, and any and all property used, or intended to be used, in any manner or part to commit, or facilitate the commission of the offense charged in Count One of the Information, including but not limited to a sum of money in United States currency, representing the amount traceable to the commission of the offense charged in Count One of the Information;

WHEREAS, the Information also included a substitute asset provision providing notice that if, as a result of the Defendant's actions or omissions, forfeitable property was unable to be located or obtained, transferred or sold to a third party person, placed beyond the jurisdiction

of the Court, substantially diminished in value or commingled with other property which cannot be subdivided without difficulty, the United States would seek, pursuant to Title 21, United States Code, Section 853(p), the forfeiture of any other property of the Defendant;

WHEREAS, on or about June 12, 2019, the Defendant pled guilty to Count One of the Information;

WHEREAS, on or about June 12, 2019, the Court entered an Order of Forfeiture (the "Order of Forfeiture") imposing a money judgment in the amount of \$2,000,000 in United States currency against the Defendant (the "Money Judgment") representing the amount of proceeds traceable to the offense charged in Count One of the Information that the Defendant personally obtained, and forfeiting all of the Defendant's right, title and interest in the Specific Property;

WHEREAS, to date the entire Money Judgment against the Defendant remains unpaid;

WHEREAS, as a result of acts and omissions of the Defendant, the Government, despite its exercise of due diligence, has been unable to locate or obtain the proceeds of the offense of the Defendant's conviction; and

WHEREAS, the Government has identified the following specific asset in which the Defendant has an ownership interest:

- a. The portion of any and all future disbursements from the Government to the Defendant, including but not limited to income tax return refunds and Social Security payments, which may be intercepted by the Treasury Offset Program,¹ up to the amount of the outstanding Money Judgment.

¹ Pursuant to 31 U.S.C. §§ 3701(d) and 3716(h), during a twelve month period a total amount of \$9,000 in Social Security payments is exempted from TOP. Accordingly, TOP will never offset a monthly Social Security Payment that is equal or less than \$750.00. Additionally, the

(the "Substitute Asset"); and

WHEREAS, the Government is seeking the forfeiture of all of the Defendant's right, title and interest in the Substitute Asset.

NOW IT IS THEREFORE ORDERED, ADJUDGED AND DECREED THAT:

1. All of the Defendant's right, title and interest in the Substitute Asset is hereby forfeited to the United States of America, for disposition in accordance with the law, subject to the provisions of Title 21, United States Code, Section 853(n).

2. Upon entry of this Preliminary Order of Forfeiture of Substitute Assets, the United States Marshals Service (or its designee) is hereby authorized to take possession of the Substitute Asset and to keep it in its secure, custody and control.

3. Upon entry of a Final Order of Forfeiture, the Substitute Asset shall be applied towards the Money Judgment entered against the Defendant.

4. Pursuant to Title 21, United States Code, Section 853(n)(1), Rule 32.2(b)(6) of the Federal Rules of Criminal Procedure, and Rules G(4)(a)(iv)(C) and G(5)(a)(ii) of the Supplemental Rules for Admiralty or Maritime Claims and Asset Forfeiture Actions, the United States shall publish for at least thirty (30) consecutive days on the official government internet forfeiture site, www.forfeiture.gov, notice of this Preliminary Order of Forfeiture as to Substitute Assets and provide notice that any person, other than the Defendant in this case, claiming an interest in the Substitute Asset must file a petition within sixty (60) days from the first day of

amount taken by TOP from a monthly Social Security payment will be 15% of the total payment or the amount of the payment that exceeds \$750.00 whichever is less.

publication of the notice on this official government internet site, or no later than thirty-five (35) days from the mailing of actual notice, whichever is earlier.

5. The notice referenced in the preceding paragraph shall state that the petition shall be for a hearing to adjudicate the validity of the petitioner's alleged interest in the Substitute Asset, shall be signed by the petitioner under penalty of perjury, and shall set forth the nature and extent of the petitioner's right, title or interest in the Substitute Asset and any additional facts supporting the petitioner's claim and the relief sought, pursuant to Title 21, United States Code, Section 853(n).

6. The United States may also, to the extent practicable, provide direct written notice to any person, other than the Defendant, known to have an alleged interest in the Substitute Asset, as a substitute for published notice as to those persons so notified.

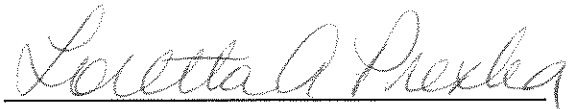
7. Upon adjudication of all third-party interests, this Court will enter a Final Order of Forfeiture with respect to the Substitute Asset, pursuant to Title 21, United States Code, Section 853(n), in which all interests will be addressed.

8. The Court shall retain jurisdiction to enforce this Preliminary Order of Forfeiture as to Substitute Assets, and to amend it as necessary, pursuant to Federal Rule of Criminal Procedure 32.2(e).

Dated: New York, New York

December 7, 2021

SO ORDERED:



HONORABLE LORETTA A. PRESKA
UNITED STATES DISTRICT JUDGE